



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

NOV 12 1997

Center for Medicaid and State Operations
Family & Children's Health Programs Group
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Mr. Greg Vadner
Director
State of Missouri
Department of Social Services
Division of Medical Services
P.O. Box 6500
Jefferson City, Missouri 65102

Dear Mr. Vadner:

The Department of Health and Human Services has reviewed your proposal, dated September 26, 1997, for a State Children's Health Insurance Program under Title XXI of the Social Security Act. Under the law, HCFA must either approve, disapprove or request additional information on a proposed Title XXI State Plan within ninety days. The ninety-day review period for Missouri's Title XXI State Plan proposal began on September 29, 1997, when we received the plan. As you know from our comments during the many meetings and discussions we have had, the State's request, as submitted, does not fully conform to the statutory requirements of Title XXI. Therefore, pursuant to Section 2106(c) of the Act, we are writing to request that you provide us with the following additional information in order to ensure we can fully assess your plan. We have the following general concerns:

1. While Missouri's Title XXI Plan utilizes the application template supplied by HCFA, it completes the template by referencing an attached Section 1115 waiver of Medicaid demonstration proposal. In many cases, the Section 1115 proposal does not provide the information required under Title XXI, as requested in the template. The enclosure to this letter specifies the additional information that is required for the sections of the application template that were completed by the State.
2. Title XXI appears to provide enough flexibility so that waivers of Title XXI requirements would not be necessary to implement your proposed plan to cover uninsured children. As we have discussed, we believe that the State could demonstrate that your proposed benefit package, (i.e. the State's current Medicaid benefits including the Early, Periodic, Screening, Diagnostic and Treatment (EPSDT) program, but without coverage of non-emergency transportation), would meet the benchmark-equivalent requirements of Title

XXI and would not require a waiver. Also, using a Title XXI program, you would be able to specify eligibility requirements, without a waiver, that would allow you to cover the number of targeted low income children necessary to expend your full State allotment at the enhanced match. Other children and adults up to 300% of poverty, who would not be eligible for the Title XXI program, could be considered in conjunction with the review of your Medicaid 1115 waiver proposal at the State's regular Medicaid match. We understand and recognize that the State wants to provide a seamless system of health coverage in the proposal, building on the foundation of the Medicaid program and we believe that this may be accomplished using this approach, without the need for waivers of provisions of Title XXI. Therefore, we strongly encourage you to consider submitting a separate Title XXI plan with all sections of the application template completed, in order to avoid delays that may be associated with the linkage of the Title XXI plan to the Section 1115 Medicaid waiver proposal.

3. Please be aware that this letter responds only to your Title XXI proposal. We understand that you would like us to review the proposals at the same time and we will make every effort to review the Section 1115 Medicaid waiver proposal in a timely fashion. As you know, however, Medicaid waiver are required to be budget neutral, and there are serious issues surrounding your ability to satisfy this standard. Issues and questions relating to your Section 1115 proposal will be sent to you in a separate letter (which is enclosed) and will be handled through the usual Section 1115 review process.

Processing of your Title XXI State Plan will cease until a substantive response to all of the enclosed questions reply is received. Upon receipt of the additional information, the 90-day review period will resume at the point at which it was stopped by this request. A final decision will be made by day 90 of the review period, unless the information submitted is incomplete and it is again necessary to request additional information. Please send your response, either on disk or electronically, as well as in hard copy to Cynthia Shirk, project officer for Missouri's Title XXI proposal, with a copy to HCFA Region VII. Ms. Shirk's Internet address is: CShirk@HCFA.GOV. Her mailing address is:

Division of Integrated Health Systems
Health Care Financing Administration
Mail Stop C3-18-26
7500 Security Boulevard
Baltimore, Maryland 21244-1850

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We appreciate the efforts of your staff and share your goal of providing health care to low income, uninsured children through Title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact either Ms. Shirk at (410) 786-6614 or Richard Brummel, Associate Regional Administrator for the HCFA Region VII Division of Medicaid and State Operations, at (816) 426-5925. They will provide or arrange for any technical assistance that you may require in preparing your response. Your cooperation is greatly appreciated.

Sincerely,

David Cade
Director

Enclosures

cc: KCRO

ENCLOSURE

MISSOURI TITLE XXI PLAN
REQUEST FOR ADDITIONAL INFORMATION
USING THE HHS TEMPLATE AS 9/12/97

Note: The Section references in this document are references to the draft State plan template released on September 12,1997.

Section 2. General Background and Description of State Approach to Child Health Coverage

Section 2.1

- 1. Please provide additional data for this section. While projected caseload information is provided (page 29 of Section 1115 proposal), the characteristics of the children to be assisted under the state plan are not broken down by income levels and other relevant factors (such as age of the children, access to or coverage by other health insurance, race and ethnicity, and geographic location). The data provided should distinguish the children below 200% of the Federal Poverty Level (FPL) who are eligible under Title XXI from the additional children (200%- 300% FPL) proposed as a Medicaid expansion population under Section 1115 authority. Please include the basis for estimating the number of uninsured children through age 18 and the number of uninsured children who are Medicaid eligible.
- 2. If these data are unavailable, please provide the methodology that will be used to obtain additional information in the future.

Section 2.2

- 3. Please describe current efforts to identify and enroll uncovered children who are eligible for Medicaid, through child-related programs including the Maternal and Child Health Services Block Grant, WIC, community and migrant health centers, rural health centers, or special state programs for child health care.
- 4. Please summarize the outreach activities included in Missouri's 1915(b) waiver.
- 5. Page 24 of the Section 1115 proposal states Missouri will "continue to coordinate eligibility outreach efforts with schools, hospitals, and local health departments by identifying barriers to Medicaid enrollment." How are these barriers being identified?

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Section 2.3

- 6. The Section 1115 proposal discusses outreach in schools and briefly mentions developing brochures and continuing current efforts (pages 17-18 and 24.) Please describe how Title XXI efforts will be coordinated with and improve upon existing outreach efforts, including the child-related programs identified in question 3.
- 7. How will outreach be accomplished in those areas where the school district does not participate? Please provide additional explanation of Caring Community schools, including how a school becomes a participant in the program and how many schools currently participate. Please specify how the expansion will interact with the Caring Communities Program. What activities are to be completed through the schools?
- 8. Page 17 of the Section 1115 proposal indicates, that the State plans to obtain available coverage through available commercial insurance when cost effective and provide any non-covered services through Medicaid. Does this apply to children covered with Title XXI funds? If so, describe how this will be accomplished.
- 9. How does the state intend to prevent “crowd out”?

Section 5. Outreach and Coordination

See Section 2 above. In addition:

Section 5.1

- 10. What are the State’s plans for outreach activities in rural parts of the State?

Section 5.2

- 11. The State’s proposal references the Section 1115 proposal to explain how administration of this program is coordinated with other public/private health insurance programs. No references to such coordination could be found in the Section 1115. Please complete this section of the template.
- 12. How will the program be coordinated with the the States current efforts to provide out stationed eligibility services in Federally Qualified Health Centers and disproportionate share hospitals as required under Medicaid?

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Section 9. Strategic Objectives and Performance Goals for the Plan Administration

Congress strongly believes that States must be able to evaluate how successful their programs have been. The performance goals as you have proposed, as currently stated, will not accomplish this task. More specifically:

Section 9.1

13. Please expand on the strategic objectives related to increasing creditable health care coverage among targeted low-income children and other low-income children. Are there other objectives that the State hopes to accomplish by providing health coverage to children?

Section 9.2

14. The application has one performance goal that repeats the strategic objective. Please provide performance goals that are built on Section 9.1 Strategic Objectives and that include details as to how the State plans to achieve each objective, including target dates.

Section 9.3

15. Missouri has checked two of the suggested performance measures, 9.3.1. and 9.3.2, which again repeat the strategic objective and performance goal. Please describe how performance will be measured once performance goals are established in Section 9.2.
16. Although the Section 1115 proposal indicates the State will use HEDIS measures, the Title XXI plan does not indicate which of the HEDIS Measurement Set will be used. Please specify which of the measures relevant to Title XXI will be used.

Section 9.5

17. Please describe if and how MC+ reporting will be redesigned to address the separate and unique statutory reporting requirements of Title XXI. Since MC+ reporting originally was not designed to collect information related to those requirements, it is not clear that the current reporting mechanisms will meet the new requirements.

Section 9.9

18. How will the State involve the public on an ongoing basis?

Section 9.10

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- 19. Please provide a budget for the Title XXI program, The Section 1115 proposal describes the costs to add additional children/families to the Medicaid program; however, does not provide enough detail to determine the budget for the Title XXI program. How much does the state intend to spend, and on what activities specifically? Will there be an outreach component and what does the State intend to spend on that component? Will there be any administrative expenditures? Please describe the sources of the non-Federal share.
- 20. Please clarify whether Title XXI expenditures are to cover 90,000 children as indicated in the Title XXI plan or 70,000 children as indicated in the Section 1115 proposal? What is the source of this discrepancy?
- 21. The State assumes that 75% of those eligible to participate will do so. What is this number based on? It appears to be significantly higher than usual. For example, CBO uses estimates of 50% - 55%.
- 22. The proposal on page 23 indicates that the State may delay implementation or cap enrollment in any area in which there are insufficient resources to provide services under the waiver. Please define “insufficient resources” and explain the steps you are taking to ensure the current system is sufficient to provide care for the Title XXI population.

Section 10. Annual Reports and Evaluations

Sections 10.1 and 10.2

- 23. Please provide a description of how the operation of the State plan under Title XXI will be assessed and address the elements listed under Sections 10.1 and 10.2.

Other Questions for Clarification

- 1. Please clarify the effective date: the Title XXI plan indicates the effective date as 10/1/97 but the attached Section 1115 proposal indicates an implementation date of 7/1/98.
- 2. The costs associated with accessible transportation for targeted low income children with special health care needs may be much higher than for the general population. Will any special provisions be made for these children in regard to non-emergency transportation?

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